

HCS HB 694 -- MOTOR FUEL TAX

SPONSOR: Redmon

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Transportation by a vote of 10 to 0. Voted "Do Pass" by the Committee on Rules- Administrative Oversight by a vote of 14 to 0.

This bill creates a graduated tax system for propane fueled vehicles. Tax rates are specified in the bill and the taxes are collected and used for the same purposes as the state road tax. Propane fueled vehicles may continue to apply for and use alternative fuel decals in lieu of paying the tax. No fuel decal is required for vehicles that fuel at stations collecting the new propane tax, however, there is no refund policy for vehicles with fuel decals that choose to obtain fuel at unattended stations where tax is automatically collected at the point of sale.

PROPONENTS: Supporters say that the bill will allow the increased use of propane fueled vehicles within Missouri, and result in increased revenues from a fair rate of motor fuel tax collection that is identical to the tax rate for liquid volumes of other alternative fuels.

Testifying for the bill were Representative Redmon; Steve Ahrens, Missouri Propane Gas Association; and the Missouri Petroleum Marketers Convenience Store Association.

OPPONENTS: There was no opposition voiced to the committee.